

# FINANCIAL REPORT

*1<sup>st</sup> half 2024*

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**Ruchan**





# Summary

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# ELO **HALF-YEAR ACTIVITY REPORT**

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## 1. Significant events during the first half of 2024 and main changes in the consolidation scope

### 1.1. Changes in the store and shopping mall network

In the first half of 2024, Auchan Retail resumed its development strategy by opening new points of sales:

- in Western Europe, the number of points of sales increased by 216 units of which, on a net basis, +26 in France through Casino acquisition and closing of convenience stores, +192 in Portugal (mainly with the purchase of Dia stores) and -2 in Spain
- in Central and Eastern Europe, the number of points of sales decreased by 3 units of which, on a net basis -1 in Russia, +1 in Hungary and -3 in Ukraine
- in Africa, the number of point of sales decreased by 1 unit of which, on a net basis, +2 in Senegal and -3 in Ivory Coast.

In addition, the number of franchised stores increased by a net of 318 stores, including 293 in Western Europe (292 in Portugal in connection with the acquisition of Dia stores) and 25 in Eastern Europe (including 24 in Poland).

### 1.2. Changes in consolidation scope

#### Sale of Sintra Retail Park in Portugal

The company Sintra Retail Park (New Immo Holding), whose assets and liabilities were presented, in accordance with IFRS 5, on the lines "Assets held for sale" and "Debts associated with assets held for sale", was sold in January 2024, as a result of the sale agreement signed in December 2023.

#### Partial disengagement in Russia

New Immo Holding partially withdrew from Russia, through the sale, on March 25, 2024, of its Russian subsidiary Ceetrus LLC, which owned 19 shopping malls.

#### Acquisition of Dia's activities in Portugal

On April 30, 2024, Auchan Retail Portugal finalized the acquisition of 100% of the Dia group's activities in Portugal. This operation allows Auchan Retail Portugal to have new assets: 481 stores, 3 warehouses and an e-commerce site.

As of June 30, 2024, the accounting mainly affects the item of (provisional) goodwill for €72 million and tangible assets for €94 million. The revenue generated in the first half amounted to €97 million.

#### Integration of Casino stores in France

Announced on January 24, 2024, the acquisition of the Casino stores was finalized in 3 successive waves in 2024:

- 17 hypermarkets, 15 supermarkets, 26 gas stations and 1 warehouse on April 30;
- 9 hypermarkets, 25 supermarkets, 20 gas stations on May 31;
- 28 supermarkets, 15 gas stations and 2 drives on July 1, 2024.

As of June 30, 2024, the accounting mainly affects the item of (provisional) goodwill for €229 million, tangible assets for €130 million and rights of use for €348 million. The revenue generated in the first half amounted to €148 million.

### 1.3. Significant events

#### 1.3.1 Impacts of war Russia - Ukraine

As at June 30, 2024, Auchan Retail operated 231 stores in Russia and 37 stores in Ukraine. New Immo Holding's exposure is limited to Nhood activities following the disposals of shopping malls (Ceetrus) during the first half of the 2024. These two countries generate less than 10% of ELO's turnover for the half-year, and represent 5% of fixed assets.

The group scrupulously monitors compliance with the terms of the embargo and sanctions, in particular for money moving into and out of Russia. Notably, Auchan Retail stopped all investment and financing activities for its Russian subsidiary from the first days of the conflict, leaving it to operate independently.

Under extremely uncertain conditions regarding the extent, outcome and consequences of the ongoing armed conflict, the outlook at present does not call into question ELO's financial situation.

#### Russia

Retail activity in Russia shows signs of moderate recovery in the first half of 2024 after a clear slowdown in 2023, but still remains strongly impacted by the drop in traffic in stores, particularly in large shopping malls

As at June 30, 2024, the foreign currency translation reserve relating to operations in Russia corresponded to a debit of €632 million.

Auchan Retail in Russia had a sufficient level of liquidity at the end of June (€92 million) enabling it to meet its commitments. It also benefits from RUB 15 billion of credit lines with local banks.



In accordance with the European regulations currently in force, Auchan Russia has not received any new financial support (investment, intragroup financing, etc.) from its mother company since February 24, 2022. It will not receive any support as long as the current conditions of the financial embargo are in place.

### **Ukraine**

Retail activity in Ukraine continues to suffer in the first half of 2024, in particular from traffic disrupted by alerts to the population and power cuts.

Since the start of the conflict in Ukraine, Auchan has stood alongside the local civilian populations to fulfil its mission of providing everyone with healthy food at the best prices, with employee safety likewise prioritised.

## **1.3.2 Other significant events**

### **Litigation New Immo Holding – Gare du Nord**

Gare du Nord 2024, an equity-accounted company, has been placed in amicable liquidation since September 21, 2021. New Immo Holding holds a debt on the company Gare du Nord 2024 which amounts to €201 million. Based on the procedures initiated since the end of the 2021 financial year and which will continue in 2024, the Group has established a provision which corresponds to its best estimate of the risk.

As part of the liquidation of the company Gare du Nord 2024, a dispute concerning a first-demand guarantee on the proper execution of the work was also investigated between the two shareholders (New Immo Holding and SNCF Gares et Connexions).

The commercial court ordered New Immo Holding at first instance on September 22, 2023 to pay SNCF Gares et Connexions the sum of €47 million in execution of the guarantee of successful completion of the Gare du Nord 2024 project.

On March 27, 2024, the Paris Court of Appeal confirmed the ordering of New Immo Holding to honor this guarantee. An expense of €47 million was recorded in the Group's accounts, in the line "Other operating income and expenses" (note 4.4). New Immo Holding appeals to the Court of Cassation.

### **Changes in Auchan Retail governance**

Guillaume Darrasse and Patrice Moulin were appointed by Yves Claude, Deputy CEO of Auchan Retail.

Arriving in April 2024, Guillaume Darrasse's primary missions are to reflect on the evolution of the organization of certain central functions, the revitalization of commercial activity and the evolution of the offer proposed to customers.

Arriving in July 2024, Patrice Moulin is responsible for managing international support services. His primary mission is to lead the implementation of a new organization for all international support functions, particularly financial, management control, real estate and indirect purchasing.

### **Bond issuance by ELO S.A.**

On April 10, 2024, ELO S.A. successfully placed a fixed-rate bond issue for a total amount of €750 million, with a coupon of 5.875% and a maturity of 4 years. The cash raised was used to finance the Group's general needs.

### **Partnership Intermarché – Auchan Retail – Casino**

Intermarché, Auchan Retail and Casino announced on April 24, 2024 that they had entered into agreements to establish a purchasing partnership. It would make it possible to sustain and develop partnerships with the agricultural world and French industrial players over the long term. It is also part of a desire to strengthen the networks specific to each brand and to conduct price negotiations with major manufacturers.

This is an unprecedented agreement in the food distribution sector in Europe:

- unprecedented in its scope, which would cover food and non-food products, real estate, retail media, non-market purchases, energy, etc.;
- unprecedented in its duration: 10 years minimum;
- unprecedented in its ambition: the alliance would become the leading purchasing center in France in terms of market share, and would aim to become the leading non-merchant buyer in Europe;
- unprecedented in its potential to improve competitiveness, with significant synergies expected for Auchan Retail.

These partnerships would be built in strict compliance with applicable competition law and regulations. Each of the partners would maintain complete independence over its commercial, pricing or promotional policy, as well as in terms of the development of store networks.

### **Share capital increase of ELO S.A.**

On May 16, 2024, the shareholders of ELO S.A. subscribed to a capital increase of €300 million, in order to support the Group in its dynamic development and transformation of its businesses.

## 2. Activities and results

### 2.1. AUCHAN RETAIL ACTIVITY

As of June 30, 2024, Auchan Retail was present in 12 countries, of which 11 on its own where it operates 493 hypermarkets, 771 supermarkets, 732 convenience stores and 250 digital points of sales.

The consolidated store network as of June 30, 2024, excluding franchised store network, was as follows:

Country	Hypermarkets	Supermarkets	Convenience stores	Digital
France	145	273	7	203
Spain	80	271	49	
Portugal	31	5	238	36
Luxembourg	3			4
Poland	70	30	6	
Hungary	19	5	2	5
Romania	33	8	398	
Ukraine	17	4	15	1
Russia	94	137		
Senegal	1	30	12	1
Ivory Coast		8	5	
<b>TOTAL</b>	<b>493</b>	<b>771</b>	<b>732</b>	<b>250</b>

Including the franchised store network (638), the total number of points of sales as of June 30, 2024 is 2,884.

Auchan Retail's revenue at the end of June 2024 amounted to €15.4 billion (decreased by -1.3% compared to 2023), including sales of gas and goods to franchisees.

Auchan Retail's activities outside France accounted for 49.5% of total revenue.

Auchan Retail's recurring operating income represents a loss of €320 million as of June 30, 2024 compared to a loss of €92 million as of June 30, 2023.

### 2.2. PROPERTY MANAGEMENT ACTIVITY (NEW IMMO HOLDING)

As of June 30, 2024, the property management activity of the Group comprising ELO and its subsidiaries included the management of 1,015 shopping centers (mainly shopping malls and retail parks), of which 200 owned or leased, 24 in partnership and 794 under management contracts in eleven countries.

The revenue represented, at the end of June 2024, €316 million (+3.9%) of which 50.6% achieved outside France.

The recurring operating income of the property management activity increased from €74 million to €76 million at end June 2024.

### 2.3. COMMENTS ON THE FINANCIAL STATEMENTS FOR THE FIRST HALF OF 2024

#### Comments on the income statement

The revenue in the scope of consolidation amounted to €15.7 billion in the first half of 2024, decreased by -1.2% compared to the first half of 2023.

By geographical area, 51% of the revenue was generated in France, 22% in Western Europe excluding France (Spain, Portugal, Luxembourg and Italy), 26% in Central and Eastern Europe

(Poland, Hungary, Romania, Ukraine and Russia), and 1% in Africa. In the first half of 2023, the geographic breakdown was 52%, 20%, 27% and 1%, respectively.

The gross margin decreased by 3.4% and amounted to €3,726 million, while the margin rate was 23.7% compared to 24.3% in the first half of 2023.



Payroll expenses increased by €52 million.

The external expenses are quite stable and up to €1.176 million for the first half of 2024.

EBITDA decreased by 38% to €339 million compared to €545 million as of June 30, 2023.

(en M€)

	06/30/2024	06/30/2023
<b>Russia - Ukraine</b>	<b>(66)</b>	<b>(41)</b>
- of which impairment of property, plant and equipment		(41)
- of which disposals of isolated assets	2	
- of which disposal of Ceetrus Russia	(68)	
<b>Net impairment of assets (excluding Russia and Ukraine)</b>	<b>(368)</b>	<b>(3)</b>
- of which stores	(87)	(4)
- of which impairment of Retail France goodwill	(283)	
- of which investment property	1	1
<b>Assets disposals</b>	<b>31</b>	<b>7</b>
- of which disposals for Retail activity	11	5
- of which disposals for Real Estate activity	20	2
<b>Reorganisation costs - Auchan Retail</b>		<b>(9)</b>
<b>"Gare du Nord" - New Immo Holding</b>	<b>(47)</b>	
<b>Other</b>	<b>(45)</b>	<b>(17)</b>
<b>Total non-recurring income and expenses</b>	<b>(495)</b>	<b>(63)</b>

After considering non-recurring income and expenses, operating income fell by €662 million for a total amount of €(745) million.

Net cost of financial debt increased by €21 million, due to higher level of the net debt.

The other financial income and expenses represented an expense of €62 million as for June 2023.

The share of the net income of associates amounted to €(17) million compared to €(21) million as of June 30, 2023. This result is explained by Oney Bank, for €(4) million and by New Immo Holding participations for €(13) million.

The net loss amounted to €(981) million as of June 30, 2024 versus a net loss of €(215) million as of June 30, 2023 (including the contribution of the sold operations, reclassified under IFRS 5 to the income statement).

The net income (Group share) amounted to €(973) million, compared with €(214) million in the first half of 2023.

The cash flows from operations amounted €79 million for this first half while €308 for the first half 2023.

After considering other recurring income and expenses, the recurring operating income amounted to €(250) million compared to €(20) million in the first half 2023.

The non-recurring items recorded under "Non-recurring income and expenses" include:

## Comments on the statement of balance sheet

### Assets

The current investments excluding business combinations (acquisitions of intangible assets, tangible assets and investment properties) amounted to €458 million compared with €476 million in the first half of 2023.

The breakdown of investments was 45% in France (24% as of June 30, 2023), 32% in Western Europe excluding France (61% as of June 30, 2023), 21% in Central and Eastern Europe (13% as of June 30, 2023), and 2% in Africa (2% as of June 30, 2023).

### Liabilities

Equity amounted to €5,255 million as of June 30, 2024, compared with €5,974 million as of June 30, 2023 and €5,804 million as of December 31, 2023.

The equity Group share amounted to €5,081 million, down by €545 million compared with December 31, 2023.

The non-controlling interests amounted to €173 million as of June 30, 2024, compared with €199 million as of June 30, 2023 and €178 million as of December 31, 2023.

The net financial debt amounted to €4,477 million as of June 30, 2024, compared with €2,917 million as of

December 31, 2023, reflecting a strong impact of seasonality. As of June 30, 2023, the net financial debt amounted to €4.040 million.

As of June 30, 2024, the financial debt amounted to 85% of equity.

### **3. Subsequent events**

As part of the transactions relating to the acquisition of Casino stores, Auchan Retail finalised the acquisition of 28 supermarkets, 15 service stations and 2 drives on July 1, 2024.

### **4. Management of risks and uncertainties in the first half of 2024**

During the usual course of their business, ELO and its subsidiaries are exposed to interest rate, foreign exchange, credit and liquidity risks, as described in section 3.3 of the 2023 risk management report. The following comments in particular concern changes in liquidity risk.

#### **Liquidity of ELO and its subsidiaries**

In terms of off-balance sheet commitments, the amount of the unused credit lines within ELO and its subsidiaries has increased by €6 million since

January 1, 2024. These are mainly unconfirmed lines and overdrafts on subsidiaries.

However, the outstanding amount of undrawn lines remained at a high level at €2.4 billion. In view of the existing financing, ELO believes that all of the projected cash flows from the business are largely sufficient to cover future debt maturities.

In April 2024, ELO issued a bond for a total amount of €750 million with a 4 years maturity through the EMTN program.



# CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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## 1. Condensed half-year consolidated financial statements

### 1.1. CONSOLIDATED INCOME STATEMENT

(In €m)	Notes	06/30/2024	06/30/2023
<b>Revenue</b>	<b>4.2</b>	<b>15 692</b>	<b>15 877</b>
Cost of sales	4.2	(11 966)	(12 018)
<b>Gross margin</b>		<b>3 726</b>	<b>3 859</b>
Payroll expenses		(2 220)	(2 168)
External expenses		(1 176)	(1 178)
Depreciation and amortisation	4.3	(543)	(516)
Provisions and impairments		(37)	(7)
Other recurring income and expenses	4.3	1	(10)
<b>Recurring operating income</b>		<b>(250)</b>	<b>(20)</b>
Non-recurring income and expenses	4.4	(495)	(63)
<b>Operating income</b>		<b>(745)</b>	<b>(83)</b>
Income from cash and cash equivalents		51	23
Gross cost of financial debt		(157)	(109)
<b>Net cost of financial debt</b>	<b>9.2</b>	<b>(107)</b>	<b>(86)</b>
Other financial income	9.3	15	20
Other financial expenses	9.3	(77)	(82)
<b>Income before tax</b>		<b>(913)</b>	<b>(231)</b>
Share of net income of associates		(17)	(21)
Income tax expense	10	(58)	38
<b>Net income from continuing operations</b>		<b>(988)</b>	<b>(215)</b>
Net income from assets held for sale and discontinued operations <sup>(1)</sup>		7	(1)
<b>Net Income</b>		<b>(981)</b>	<b>(215)</b>
- of which net income – Group share		(973)	(214)
- of which net income attributable to non-controlling interests		(8)	(1)
<b>Earnings per share from continuing operations – Group share (in €)</b>			
- basic	7.2	(33,91)	(7,52)
- diluted	7.2	(33,91)	(7,52)
<b>EBITDA</b>	<b>4.3</b>	<b>339</b>	<b>545</b>



## 1.2. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(In €m)	06/30/2024			06/30/2023		
	Gross amount	Income tax	Net	Gross amount	Income tax	Net
<b>Net income for the period</b>			<b>(981)</b>			<b>(215)</b>
Change in equity instruments at fair value through other comprehensive income	(3)	1	(3)	(9)	2	(7)
Revaluation of net liabilities in respect of defined benefits plans	0	0	0	0	0	0
<b>TOTAL ITEMS THAT WILL NOT BE RECLASSIFIED TO NET INCOME</b>	<b>(3)</b>	<b>1</b>	<b>(3)</b>	<b>(9)</b>	<b>2</b>	<b>(7)</b>
Exchange differences on translating foreign operations	78		78	(24)		(24)
<b>Change in fair value</b>						
- of net foreign investment hedge	23	(6)	17	(19)	5	(14)
- cash flow hedge derivatives	49	(13)	35	(6)	2	(4)
<b>TOTAL ITEMS THAT MAY BE RECLASSIFIED TO NET INCOME</b>	<b>150</b>	<b>(19)</b>	<b>131</b>	<b>(49)</b>	<b>7</b>	<b>(43)</b>
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>	<b>147</b>	<b>(18)</b>	<b>128</b>	<b>(58)</b>	<b>9</b>	<b>(49)</b>
<b>Total comprehensive income for the period</b>			<b>(853)</b>			<b>(265)</b>
Attributable to:						
- Group share			(845)			(263)
- non-controlling interests			(8)			(1)

## 1.3. CONSOLIDATED STATEMENT OF BALANCE SHEET

Assets (In m€)	Notes	06/30/2024	12/31/2023
Goodwill	6.1	1 573	1 553
Other intangible assets	6.1	112	128
Property, plant and equipment	6.2	5 058	4 954
Right-of-use assets	6.3	1 567	1 235
Investment properties	6.4	3 315	3 454
Investments in associates	3.3	647	647
Non-current financial assets	9.5	400	410
Non-current derivative instruments	9.4	133	140
Deferred tax assets		397	371
Other non-current assets	9.5	100	104
<b>NON-CURRENT ASSETS</b>		<b>13 302</b>	<b>12 998</b>
Inventories		2 756	2 533
Trade receivables	9.5	416	433
Current tax assets		17	60
Trade and other receivables	9.5	1 501	1 369
Current financial assets	9.5	316	419
Current derivative instruments	9.4	46	80
Cash and cash equivalents	9.1 9.5	1 505	2 741
Assets held for sale		141	150
<b>CURRENT ASSETS</b>		<b>6 698</b>	<b>7 786</b>
<b>TOTAL ASSETS</b>		<b>20 000</b>	<b>20 784</b>

Equity and liabilities (in €m)	Notes	06/30/2024	12/31/2023
Share capital	7.1.2	600	580
Share premiums		2 287	2 007
Reserves and net income - Group share		2 195	3 039
<b>EQUITY - GROUP SHARE</b>		<b>5 081</b>	<b>5 626</b>
Non-controlling interests	7.1.5	173	178
<b>TOTAL EQUITY</b>		<b>5 255</b>	<b>5 804</b>
Non-current provisions	8.1	198	198
Non-current borrowings and other financial liabilities	9.6	5 084	4 927
Non-current derivative instruments	9.4	117	147
Non-current lease liabilities		1 399	1 099
Deferred tax liabilities		76	47
Other non-current liabilities		168	164
<b>NON-CURRENT LIABILITIES</b>		<b>7 043</b>	<b>6 583</b>
Current provisions	8.1	177	184
Current borrowings and other financial liabilities	9.6	1 009	1 070
Current derivative instruments	9.4	21	15
Current lease liabilities		373	324
Trade payables		4 371	4 979
Current tax liabilities		41	58
Other current liabilities		1 704	1 752
Liabilities associated with assets classified as held for sale		7	14
<b>CURRENT LIABILITIES</b>		<b>7 703</b>	<b>8 397</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>20 000</b>	<b>20 784</b>



**1.4. CONSOLIDATED STATEMENT OF CASH FLOWS**

(In €m)	Notes	06/30/2024	06/30/2023
Consolidated net income (including non-controlling interests)		(981)	(215)
Share of net income of associates		17	21
Dividends received (non-consolidated investments) <sup>(1)</sup>		(2)	(2)
Net cost of financial debt and lease interests <sup>(1)</sup>		157	130
Income tax expense (including deferred taxes)		58	(38)
Net amortisation, depreciation, provisions and impairment expenses (other than on current assets)		985	607
Expenses and income related to share-based payments without cash consideration		5	(8)
Capital gains and losses net of tax and goodwill		33	(16)
<b>Cash flows from operations before net cost of financial debt, lease interest and tax</b>		<b>272</b>	<b>478</b>
Income tax paid		(38)	(36)
Interest paid and lease interest <sup>(1)</sup>		(206)	(160)
Other financial items		51	26
<b>Cash flows from operations after net cost of financial debt and tax</b>		<b>79</b>	<b>308</b>
Changes in working capital requirement	12	(862)	(820)
<b>Net cash from (used in) operating activities</b>		<b>(783)</b>	<b>(512)</b>
Disbursements related to acquisitions of property, plant and equipment, intangible assets and investment properties		(369)	(689)
Proceeds from disposals of property, plant and equipment, intangible assets and investment properties		32	26
Disbursements related to shares in non-consolidated companies including investments in associates		(47)	(5)
Proceeds from sales of shares in non-consolidated companies including investments in associates		6	0
Disbursements related to business combinations net of cash acquired		(508)	
Disposals of operations net of cash sold		41	
Dividends received (non-consolidated investments)		10	3
Changes in loans and advances granted	12	(97)	(39)
<b>Net cash from (used in) investing activities</b>		<b>(931)</b>	<b>(703)</b>
Amounts received from shareholders on capital increases		300	0
Purchases and sales of treasury shares		0	(6)
Dividends paid during the financial year	12	(3)	(99)
Acquisitions and disposals of interests without change in control	12	(1)	15
Payment of lease liabilities		(186)	(166)
Change in net financial debt	12	311	452
<b>Net cash from (used in) financing activities</b>		<b>421</b>	<b>198</b>
Effect of changes in foreign exchange rates <sup>(2)</sup>		(2)	(10)
Cash and cash equivalents classified under IFRS5		(7)	4
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(1 302)</b>	<b>(1 023)</b>
Cash and cash equivalents at the beginning of period		2 730	1 984
Cash and cash equivalents at the end of period	12	1 428	961
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>12</b>	<b>(1 302)</b>	<b>(1 023)</b>

(1) Including financial interest under IFRS 16 for €(51) million and included in other financial expenses (vs. €(46) million in June 2023)

(2) Mainly impact of the Zloty for €(3) million as of June 30, 2024.

## 1.5. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Equity							
	Share capital	Share premiums <sup>(1)</sup>	Treasury shares <sup>(2)</sup>	Currency translation reserves, financial instrument revaluation reserves and actuarial gains and losses <sup>(3)</sup>	Reserves and consolidated income	Group share	Non controlling interests	Total
<i>(In €m)</i>								
<b>As of 01/01/2023</b>	<b>574</b>	<b>1 914</b>	<b>(115)</b>	<b>(928)</b>	<b>4 686</b>	<b>6 129</b>	<b>194</b>	<b>6 324</b>
Net income for the period					(214)	(214)	(1)	(215)
Total other comprehensive income				(49)		(49)	(0)	(49)
<b>Total comprehensive income for the period</b>				<b>(49)</b>	<b>(214)</b>	<b>(263)</b>	<b>(1)</b>	<b>(265)</b>
Change in Capital								
Treasury shares			(6)			(6)		(6)
Dividend distributions					(100)	(100)	(1)	(101)
Changes in consolidation scope					9	9	22	31
Changes in put options granted to non-controlling interests and repurchase commitments					10	10	(16)	(6)
Other					(4)	(4)	1	(3)
<b>As of 06/30/2023</b>	<b>574</b>	<b>1 914</b>	<b>(121)</b>	<b>(977)</b>	<b>4 387</b>	<b>5 775</b>	<b>199</b>	<b>5 974</b>
<b>As of 01/01/2024</b>	<b>580</b>	<b>2 007</b>	<b>(113)</b>	<b>(1 047)</b>	<b>4 200</b>	<b>5 626</b>	<b>178</b>	<b>5 804</b>
Net income for the period					(973)	(973)	(8)	(981)
Total other comprehensive income				128		128	0	128
<b>Total comprehensive income for the period</b>				<b>128</b>	<b>(973)</b>	<b>(845)</b>	<b>(8)</b>	<b>(853)</b>
Change in Capital	20	280				300		300
Treasury shares			0		0			
Dividend distributions					0	0	(3)	(3)
Changes in consolidation scope					0	0	6	6
Other					0	0	0	1
<b>As of 06/30/2024</b>	<b>600</b>	<b>2 287</b>	<b>(113)</b>	<b>(919)</b>	<b>3 227</b>	<b>5 081</b>	<b>173</b>	<b>5 255</b>

(1) Share premiums include the premiums paid for stock issued, mergers and other capital contributions.

(2) See note 7.1.3.

(2) See note 7.1.4

## 2. Notes to the condensed consolidated financial statements

### NOTE 1 - ACCOUNTING POLICIES

#### 1.1 GENERAL PRINCIPLES AND STATEMENT OF COMPLIANCE

The condensed consolidated half-year financial statements of ELO S.A. were approved by the Board of Directors on July 23<sup>th</sup>, 2024. The condensed consolidated financial statements are presented in euros and are rounded up or down to the closest million.

#### 1.2 STANDARDS APPLIED

The condensed consolidated financial statements of ELO S.A. for the six months ended on June 30<sup>th</sup>, 2024 have been prepared in accordance with the provisions of IAS 34 on interim Financial Reporting, the International Financial Reporting Standards (IFRS), and the interpretations published by the International Accounting Standards Board (IASB) as adopted by the European Union and mandatorily applicable as of January 1<sup>st</sup>, 2024.

These notes, therefore, do not include all the information required in the full annual financial statements and should be read in conjunction with ELO S.A. consolidated financial statements for the financial year ended December 31<sup>st</sup>, 2023.

Pursuant to IAS 34, the explanatory notes in these condensed financial statements aim to:

- update the accounting and financial information contained in ELO S.A. consolidated annual financial statements for the financial year ended December 31<sup>st</sup>, 2023;
- provide new accounting and financial information on significant events that took place during the period under review.

The accounting principles applied to the consolidated financial statements as of June 30<sup>th</sup>, 2024 are consistent with those used for the financial statements as of December 31<sup>st</sup>, 2022. The amendments and standards presented below had no impact on the consolidated financial statements as of June 30<sup>th</sup>, 2024.

#### **Amendments and standards adopted by the European Union, applicable from financial years beginning on January 1<sup>st</sup>, 2024**

- Amendments to IAS 1, « Classification of Liabilities as Current or Non-current »
- Amendment to IAS 7 and IFRS 7, « Supplier Finance Arrangements »
- Amendments to IAS 12, « International Tax Reform — Pillar Two Model Rules »
- Amendment to IFRS 16, « Lease Liability in a Sale and Leaseback »

#### **Standards and interpretations published by the IASB, applicable to accounting periods beginning after January 1<sup>st</sup>, 2025, not early by the group**

- Amendments to IFRS 7 and IFRS 9, « Classification and valuation of financial instruments »
- IFRS 18, « Presentation and disclosures in financial statements »
- IFRS 19, « Subsidiaries without public liability – Information to be provided »

#### **International tax reform – Pillar II**

The ELO Group tested, on the basis of data from the 2023 financial year, the application of so-called "safe harbors" protection regimes in the host States. These estimates demonstrate that no additional and significant tax expense is to be recognized within the Group.

#### 1.3 USE OF ESTIMATES

The preparation of the consolidated financial statements requires ELO S.A. Management to exercise its judgement to make estimates and assumptions that may affect the carrying amount of certain assets and liabilities, income and expenses and the information provided in the notes to the financial statements. The actual values may be different from current estimates.

When preparing the condensed half-year consolidated financial statements, the significant judgements made by Management in applying accounting policies and the main estimates were identical to those described in the consolidated financial statements for the financial year ended on December 31, 2023.

#### 1.4 ALTERNATIVE PERFORMANCE INDICATORS

##### **EBITDA**

The Group includes in its EBITDA the change in the impairment of trade receivables as well as the provisions and reversals for risks and charges. As a result, EBITDA corresponds to recurring operating income, minus amortisation, depreciation and other recurring income and expenses.

##### **Non-recurring income and expenses**

Non-recurring transactions in significant amounts which could distort recurring operating performance are recorded under Non-recurring income and expenses in accordance with Recommendation N°. 2020-R.01 of the French Accounting Standards Authority (ANC – *Autorité des normes comptables*). This item includes, in particular, impairment of



goodwill, impairment of property, plant and equipment, capital gains or losses on asset disposals, as well as items that are unusual, abnormal, significant and not relevant to current operations,

such as major restructuring costs or exceptional indemnities on contract termination.

## NOTE 2 – SIGNIFICANT EVENTS

### Sale of Sintra Retail Park in Portugal

The company Sintra Retail Park (New Immo Holding), whose assets and liabilities were presented, in accordance with IFRS 5, on the lines "Assets held for sale" and "Debts associated with assets held for sale", was sold in January 2024, as a result of the sale agreement signed in December 2023.

### Partial disengagement in Russia

New Immo Holding partially withdrew from Russia, through the sale, on March 25, 2024, of its Russian subsidiary Ceetrus LLC, which owned 19 shopping malls.

### Acquisition of Dia's activities in Portugal

On April 30, 2024, Auchan Retail Portugal finalized the acquisition of 100% of the Dia group's activities in Portugal. This operation allows Auchan Retail Portugal to have new assets: 481 stores, 3 warehouses and an e-commerce site.

As of June 30, 2024, the accounting mainly affects the item of (provisional) goodwill for €72 million and tangible assets for €94 million. The revenue generated in the first half amounted to €97 million.

### Integration of Casino stores in France

Announced on January 24, 2024, the acquisition of the Casino stores was finalized in 3 successive waves in 2024:

- 17 hypermarkets, 15 supermarkets, 26 gas stations and 1 warehouse on April 30;
- 9 hypermarkets, 25 supermarkets, 20 gas stations on May 31;
- 28 supermarkets, 15 gas stations and 2 drives on July 1, 2024.

As of June 30, 2024, the accounting mainly affects the item of (provisional) goodwill for €229 million, tangible assets for €130 million and rights of use for €348 million. The revenue generated in the first half amounted to €148 million.

### Impact war Russia – Ukraine

As at June 30, 2024, Auchan Retail operated 231 stores in Russia and 37 stores in Ukraine. New Immo Holding's exposure is limited to Nhood activities following the disposals of shopping malls (Ceetrus) during the first half of the 2024. These two countries generate less than 10% of ELO's turnover for the half-year, and represent 5% of fixed assets.

The group scrupulously monitors compliance with the terms of the embargo and sanctions, in particular for money moving into and out of Russia. Notably,

Auchan Retail stopped all investment and financing activities for its Russian subsidiary from the first days of the conflict, leaving it to operate independently.

Under extremely uncertain conditions regarding the extent, outcome and consequences of the ongoing armed conflict, the outlook at present does not call into question ELO's financial situation.

### Russia

Retail activity in Russia shows signs of moderate recovery in the first half of 2024 after a clear slowdown in 2023, but still remains strongly impacted by the drop in traffic in stores, particularly in large shopping malls

As at June 30, 2024, the foreign currency translation reserve relating to operations in Russia corresponded to a debit of €632 million.

Auchan Retail in Russia had a sufficient level of liquidity at the end of June (€92 million) enabling it to meet its commitments. It also benefits from RUB 15 billion of credit lines with local banks.

In accordance with the European regulations currently in force, Auchan Russia has not received any new financial support (investment, intragroup financing, etc.) from its mother company since February 24, 2022. It will not receive any support as long as the current conditions of the financial embargo are in place.

### Ukraine

Retail activity in Ukraine continues to suffer in the first half of 2024, in particular from traffic disrupted by alerts to the population and power cuts.

Since the start of the conflict in Ukraine, Auchan has stood alongside the local civilian populations to fulfil its mission of providing everyone with healthy food at the best prices, with employee safety likewise prioritised.

### Litigation New Immo Holding – Gare du Nord

Gare du Nord 2024, an equity-accounted company, has been placed in amicable liquidation since September 21, 2021. New Immo Holding holds a debt on the company Gare du Nord 2024 which amounts to €201 million. Based on the procedures initiated since the end of the 2021 financial year and which will continue in 2024, the Group has established a provision which corresponds to its best estimate of the risk.

As part of the liquidation of the company Gare du Nord 2024, a dispute concerning a first-demand guarantee on the proper execution of the work was also investigated between the two shareholders (New Immo Holding and SNCF Gares et Connexions). The commercial court ordered New Immo Holding at first instance on September 22, 2023 to pay SNCF Gares et Connexions the sum of €47 million in execution of the guarantee of successful completion of the Gare du Nord 2024 project.

On March 27, 2024, the Paris Court of Appeal confirmed the ordering of New Immo Holding to honor this guarantee. An expense of €47 million was recorded in the Group's accounts, in the line "Other operating income and expenses" (note 4.4). New Immo Holding appeals to the Court of Cassation.

#### Changes in Auchan Retail governance

Guillaume Darrasse and Patrice Moulin were appointed by Yves Claude, Deputy CEO of Auchan Retail.

Arriving in April 2024, Guillaume Darrasse's primary missions are to reflect on the evolution of the organization of certain central functions, the revitalization of commercial activity and the evolution of the offer proposed to customers.

Arriving in July 2024, Patrice Moulin is responsible for managing international support services. His primary mission is to lead the implementation of a new organization for all international support functions, particularly financial, management control, real estate and indirect purchasing.

#### Bond issuance by ELO S.A.

On April 10, 2024, ELO S.A. successfully placed a fixed-rate bond issue for a total amount of €750 million, with a coupon of 5.875% and a maturity of 4 years. The cash raised was used to finance the Group's general needs.

#### Partnership Intermarché – Auchan Retail – Casino

Intermarché, Auchan Retail and Casino announced on April 24, 2024 that they had entered into agreements to establish a purchasing partnership. It would make it possible to sustain and develop partnerships with the agricultural world and French industrial players over the long term. It is also part of a desire to strengthen the networks specific to each brand and to conduct price negotiations with major manufacturers.

This is an unprecedented agreement in the food distribution sector in Europe:

- unprecedented in its scope, which would cover food and non-food products, real estate, retail media, non-market purchases, energy, etc.;
- unprecedented in its duration: 10 years minimum;
- unprecedented in its ambition: the alliance would become the leading purchasing center in France in terms of market share, and would aim to become the leading non-merchant buyer in Europe;
- unprecedented in its potential to improve competitiveness, with significant synergies expected for Auchan Retail.

These partnerships would be built in strict compliance with applicable competition law and regulations. Each of the partners would maintain complete independence over its commercial, pricing or promotional policy, as well as in terms of the development of store networks.

#### Share capital increase of ELO S.A.

On May 16, 2024, the shareholders of ELO S.A. subscribed to a capital increase of €300 million, in order to support the Group in its dynamic development and transformation of its businesses.

## NOTE 3 – CONSOLIDATION SCOPE

### 3.1 GENERAL DESCRIPTION OF THE CONSOLIDATION SCOPE

ELO S.A., the holding company of the consolidated entities, is a French company with its registered office located at 40, avenue de Flandre, Croix, France. ELO, through the companies included in the consolidation scope, operates in 13 countries and employs 164 480 people.

As of June 30, 2024, ELO and its subsidiaries have two business lines:

- Auchan Retail, a food retailer which fully consolidates 493 hypermarkets, 771 supermarkets, 732 convenience stores and 250 integrated digital points of sales as well as e-commerce (Auchan.fr) and drive-through (Chronodrive and Auchan Drive) activities;
- New Immo Holding and its subsidiaries providing property management services (1 015 sites, mainly shopping centres with shopping malls and retail parks).

### 3.2 DISCONTINUED OPERATIONS, OPERATIONS BEING SOLD AND ASSETS HELD FOR SALE

#### Hungary

Having entered into exclusive negotiations with Indotek Group since September 1, 2021, New Immo Holding has considered the sale of its subsidiary Ceetrus Hungary.

For the 2023 financial year, negotiations between the parties led to the signing in October of a preliminary agreement for the sale of shares in two entities of the Group: Nhood Services Hungary and Ceetrus Hungary.

The completion of this transaction is subject to the approval of the European authorities and should be finalized during 2024.

In accordance with the control analysis and in compliance with the criteria determined by IFRS 5,

assets and liabilities are presented on the lines "Assets held for sale" and "Debts associated with assets held for sale". The items in the income statement have not been subject to reclassification.

#### Italy

In March 2024, Ceetrus Italy temporarily acquired additional equity securities relating to one of its subsidiaries for an amount of €25 million. The future purchaser of these additional securities is subject to an acquisition obligation, which must take place during the second half of 2024.

In accordance with the control analysis and in compliance with the criteria determined by IFRS 5, these additional securities are presented on the line "Assets held for sale".

#### 3.2.3 Impacts on the financial statements

##### Breakdown of net income in the financial statements of activities sold or held for sale

(In €m)	06/30/2024	06/30/2023
Revenue	0	0
Gross margin	0	0
<b>Recurring operating income</b>	<b>0</b>	<b>0</b>
Non-recurring income and expenses	7	(1)
<b>Operating income</b>	<b>7</b>	<b>(1)</b>
Net cost financial debt	0	0
Other financial income and expenses	0	0
<b>Income before tax</b>	<b>7</b>	<b>(1)</b>
Income tax expense	0	0
<b>Net income</b>	<b>7</b>	<b>(1)</b>
<b>EBITDA</b>	<b>0</b>	<b>0</b>

##### Details of assets and liabilities held for sale

(In €m)	06/30/2024	12/31/2023
<b>Non-current assets</b>	<b>49</b>	<b>90</b>
of which investment property	47	83
<b>Current assets</b>	<b>92</b>	<b>60</b>
of which cash	63	58
<b>TOTAL ASSETS</b>	<b>141</b>	<b>150</b>
<b>Non-current liabilities</b>	<b>3</b>	<b>8</b>
of which deferred taxes	0	5
<b>Current liabilities</b>	<b>4</b>	<b>6</b>
of which trade payables	2	4
<b>TOTAL LIABILITIES</b>	<b>7</b>	<b>14</b>

### 3.3 INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

The line "Investments in associates" presented in the balance sheet includes in particular the equity interest of 49.9% in Oney Bank (Oney Bank specialises in payment, financing and digital identification solutions) for €315 million of which €(4) million of net

income, and the investments of New Immo Holding in companies that own real estate assets in France and Europe for €319 million of which €(13) million of net income.

## NOTE 4 – OPERATING DATA

### 4.1 SEASONALITY

The consolidated financial statements for the first and second half of the year are difficult to compare due to the seasonal nature of the business.

The working capital resources also deteriorated sharply in the first half of the year due to significant supplier payments related to purchases made at the end of the previous year.

### 4.2 REVENUE FROM ORDINARY ACTIVITIES/GROSS MARGIN

(In €m)	06/30/2024	06/30/2023
Sales	15 578	15 770
Other revenue	114	107
<b>Revenue</b>	<b>15 692</b>	<b>15 877</b>
Purchases net of rebates, commercial cooperation services and ancillary and logistics costs	(12 070)	(12 152)
Change in inventories (net of impairment)	104	134
<b>Cost of sales</b>	<b>(11 966)</b>	<b>(12 018)</b>
<b>Gross margin</b>	<b>3 726</b>	<b>3 859</b>

### 4.3 EBITDA

(In €m)	06/30/2024	06/30/2023
Recurring operating income	(250)	(20)
- Other recurring income and expenses <sup>(1)</sup>	1	(10)
- Depreciation and amortisation	(543)	(516)
- Impairment of assets <sup>(2)</sup>	0	5
- Depreciation and amortisation included in logistics costs deducted from gross margin	(46)	(44)
<b>EBITDA</b>	<b>339</b>	<b>545</b>

(1) Including foreign exchange gains for €1 million in June 2024 and foreign exchange losses for €10 million in 2023

(2) Excluding impairment on inventories



## 4.4 NON-RECURRING INCOME AND EXPENSES

(In €m)	06/30/2024	06/30/2023
<b>Russia - Ukraine</b>	<b>(66)</b>	<b>(41)</b>
- of which impairment of property, plant and equipment		(41)
- of which disposals of isolated assets	2	
- of which disposal of Ceetrus Russia	(68)	
<b>Net impairment of assets (excluding Russia and Ukraine)</b>	<b>(368)</b>	<b>(3)</b>
- of which stores	(87)	(4)
- of which impairment of Retail France goodwill	(283)	
- of which investment property	1	1
<b>Assets disposals (excluding Russia and Ukraine)</b>	<b>31</b>	<b>7</b>
- of which disposals for Retail activity	11	5
- of which disposals for Real Estate activity	20	2
<b>Reorganisation costs - Auchan Retail</b>		<b>(9)</b>
<b>"Gare du Nord" - New Immo Holding</b>	<b>(47)</b>	
<b>Other</b>	<b>(45)</b>	<b>(17)</b>
<b>TOTAL NON-RECURRING INCOME AND EXPENSES</b>	<b>(495)</b>	<b>(63)</b>

## NOTE 5 - OPERATING SEGMENTS

## 5.1 SEGMENT INFORMATION OF INCOME STATEMENT

Segment revenue and results as of June 30 (in €m)	Auchan Retail		Real estate		Holdings		Total	
	06/30/2024	06/30/2023	06/30/2024	06/30/2023	06/30/2024	06/30/2023	06/30/2024	06/30/2023
External revenue	15 375	15 572	316	304	-	-	15 692	15 877
Internal revenue	4	4	2	(0)	(6)	(4)	0	0
<b>REVENUE</b>	<b>15 379</b>	<b>15 576</b>	<b>318</b>	<b>304</b>	<b>(6)</b>	<b>(4)</b>	<b>15 692</b>	<b>15 877</b>
Depreciation and amortisation	(441)	(406)	(102)	(111)	(0)	(0)	(543)	(516)
<b>Recurring operating income</b>	<b>(320)</b>	<b>(92)</b>	<b>76</b>	<b>74</b>	<b>(5)</b>	<b>(2)</b>	<b>(250)</b>	<b>(20)</b>

## 5.2 SEGMENT BALANCE SHEETS

Segment assets and liabilities (in €m)	Auchan Retail		Real estate		Holdings		Total	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023	06/30/2024	12/31/2023	06/30/2024	12/31/2023
<b>Segment assets</b>	<b>12 390</b>	11 630	<b>4 511</b>	4 522	<b>361</b>	574	<b>17 261</b>	16 726
<b>Segment liabilities</b>	<b>7 783</b>	8 048	<b>425</b>	468	<b>15</b>	20	<b>8 223</b>	8 537

The total segment assets are reconciled to the total assets of ELO and its subsidiaries as follows:

<i>(In €m)</i>	06/30/2024	12/31/2023
Goodwill	1 573	1 553
Other intangible assets	112	128
Property, plant and equipment	5 058	4 954
Right-of-use assets	1 567	1 235
Investment property	3 315	3 454
<b>Non-current segment assets excluding tax and financial assets</b>	<b>11 625</b>	<b>11 325</b>
Investments in associates	647	647
Inventories	2 756	2 533
Trade receivables	416	433
Trade and other receivables	1 501	1 369
Current financial assets	316	419
<b>Segment assets</b>	<b>17 261</b>	<b>16 726</b>
Other non-current financial assets	400	410
Other non-current assets	100	104
Non-current derivative instruments	133	140
Deferred tax assets	397	371
Current tax assets	17	60
Current derivative instruments	46	80
Cash and cash equivalents	1 505	2 741
Assets held for sale	141	150
<b>TOTAL ASSETS</b>	<b>20 000</b>	<b>20 784</b>

The total segment liabilities are reconciled to the total assets of ELO and its subsidiaries as follows:

<i>(In €m)</i>	06/30/2024	12/31/2023
Non-current provisions	198	198
Current provisions	177	184
Trade payables	4 371	4 979
Other current liabilities	1 704	1 752
Non-current lease liabilities	1 399	1 099
Current lease liabilities	373	324
<b>Segment liabilities</b>	<b>8 223</b>	<b>8 537</b>
Equity	5 255	5 804
Non-current borrowings and other financial liabilities	5 084	4 927
Non-current derivative instruments	117	147
Other non-current liabilities	168	164
Deferred tax liabilities	76	47
Current borrowings and other financial liabilities	1 009	1 070
Current derivative instruments	21	15
Current tax liabilities	41	58
Liabilities associated with assets classified as held for sale	7	14
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>20 000</b>	<b>20 784</b>

## NOTE 6 - INTANGIBLE AND TANGIBLE ASSETS

### 6.1 GOODWILL AND OTHER INTANGIBLE ASSETS

(In €m)	06/30/2024	12/31/2023
Goodwill	1 573	1 553
Other intangible assets	112	128
<b>TOTAL INTANGIBLE ASSETS</b>	<b>1 685</b>	<b>1 681</b>

The increase in goodwill of €20 million follows the (provisional) goodwill recognized following the integration of the Casino stores in France for €229 million and following the acquisition of Dia's activities in Portugal for €72 million. Added to this is a depreciation of €283 million in Retail France goodwill (see note 6.5) and the positive impact of foreign exchange for €2 million.

### 6.2 PROPERTY, PLANT AND EQUIPMENT

(In €m)	06/30/2024	12/31/2023
Gross carrying amount	15 110	14 725
Depreciation and impairment	(10 053)	(9 772)
<b>NET CARRYING AMOUNT</b>	<b>5 058</b>	<b>4 954</b>

The change in the net value of tangible assets of €104 million is mainly the consequence of the acquisition of the Casino stores in France for €130 million and the Dia stores in Portugal for €94 million, but also acquisitions net of disposals for €51 million, depreciation and amortization for €(195) million, and the impact of foreign exchange for €23 million.

### 6.3 RIGHT-OF-USE ASSETS

(In €m)	06/30/2024	12/31/2023
Gross carrying amount	3 096	2 602
Amortisation and impairment	(1 529)	(1 367)
<b>NET CARRYING AMOUNT</b>	<b>1 567</b>	<b>1 235</b>

The gross and net carrying amount of right-of-use assets is mainly affected by the acquisition of Casino in France for a value of €348 million.

### 6.4 INVESTMENT PROPERTIES

The investment properties held by the Group mainly consist of shopping malls built near the stores.

(In €m)	06/30/2024	12/31/2023
Gross value of investment property	6 108	6 355
Gross value of right-of-use assets of investment property	140	147
<b>TOTAL GROSS VALUE</b>	<b>6 248</b>	<b>6 502</b>
Depreciation and impairment of investment property	(2 861)	(2 981)
Depreciation and impairment of right-of-use of investment property	(72)	(67)
<b>TOTAL DEPRECIATION AND IMPAIRMENT</b>	<b>(2 933)</b>	<b>(3 047)</b>
<b>NET CARRYING AMOUNT</b>	<b>3 315</b>	<b>3 454</b>

The decrease in the net value of investment properties of €140 million concerns in particular the exit of Ceetrus Russia for €55 million.

## 6.5 IMPAIRMENT

For Auchan Retail, cash-generating units for which an indicator of impairment was identified were tested for impairment. With regard to New Immo Holding, the real estate assets are appraised by independent appraisers on a half-yearly basis. The valuation methods applied, described in the Group's consolidated financial statements dated December 31, 2023, remain unchanged.

### Russia

Retail Activity in Russia was subject to impairment tests for which a cautious approach was adopted on the growth parameters as well as on the discount rate.

No additional impairment over the financial year concerning investment properties.

### France

The deteriorating economic situation in France led to an impairment test being carried out on Auchan Retail France. The updating of strategic

orientations by the new Auchan Retail governance made it possible to clarify the strategic plan and accelerate the implementation of action plans. Based on the impairment tests carried out, an impairment of €283 million of Auchan Retail France goodwill was recognized in the "Other operating income and expenses" line (note 4.4).

The sensitivity analyzes carried out on the main values tested and relating to a variation of +50 bps in the discount rate (7.21%) would lead to an additional depreciation of €232 million of Auchan Retail France goodwill.

### Other cash generated units

Furthermore, the depreciation tests carried out on the stores led to the recognition of depreciation of €87 million, recorded in the "Other operating income and expenses" line (note 4.4).

## NOTE 7 - EQUITY AND EARNINGS PER SHARE

### 7.1 EQUITY

#### 7.1.1 Shareholders

As of June 30, 2024, ELO S.A. share capital is mainly held by Aumarché. Employees owned 1.85% of the company's capital via mutual funds (FCPs) Valauchan and Valfrance, and via the companies included in the employee share ownership plans outside France (Valauchan Sopaneer International, Valespaña S.C.A., Valpoland S.C.A., Valhungary International S.C.A. and Valportugal S.C.A.).

Only companies included in the employee share ownership plans outside France are fully consolidated.

#### 7.1.2 Share capital

As of June 30, 2024, the share capital amounted to €600,016,140. It was split into 30,000,812 fully paid-up shares with a par value of €20 each.

#### 7.1.3 Treasury shares

As of June 30, 2024, the total number of treasury shares held by ELO S.A. and its subsidiaries amounted to 323,185 shares (compared to 323,185 at the end of 2023). Monicole BV hold 30,212 ELO S.A. shares for a transaction cost of €9 million and 292,973 shares are held by Valauchan Sopaneer International, Valportugal S.C.A., Valpoland S.C.A., Valhungary International S.C.A. and Valespaña S.C.A. for an acquisition cost of €103 million, in the context of employee share ownership.

As of June 30, 2024, the treasury shares held by Monicole BV represented 0.1% of the share capital of ELO S.A.



#### 7.1.4 Currency translation reserves, financial instrument revaluation reserves and actuarial gains and losses (Group share)

<i>(In €m)</i>	Currency translation reserve	Available-for-sale financial assets revaluation reserve	Cash flow hedge reserve	Net foreign investment hedge reserve	Actuarial differences on defined-benefit plans	Total
<b>As of January 1, 2023</b>	<b>(953)</b>	<b>(88)</b>	<b>107</b>	<b>(3)</b>	<b>10</b>	<b>(928)</b>
Change	(35)	(14)	(49)	(17)	(4)	(119)
<b>AS OF DECEMBER 31, 2023</b>	<b>(987)</b>	<b>(102)</b>	<b>58</b>	<b>(20)</b>	<b>6</b>	<b>(1 047)</b>
<b>As of January 1, 2023</b>	<b>(987)</b>	<b>(102)</b>	<b>58</b>	<b>(20)</b>	<b>6</b>	<b>(1 047)</b>
Change	78	(3)	35	17	0	128
<b>AS OF JUNE 30, 2024</b>	<b>(910)</b>	<b>(105)</b>	<b>93</b>	<b>(3)</b>	<b>6</b>	<b>(919)</b>

#### 7.1.5 Non-controlling interests

The non-controlling interests are mainly comprised of interests in the capital of Valauchan Sopaneer International, Val Portugal S.C.A., Valpoland S.C.A., Valhungary International SCA and, Valespaña S.C.A. in the amount of €173 million.

#### 7.1.7 Repurchase commitments

ELO S.A. recognises a liability for its commitments to buy back shares from Valauchan and Valfrance. As of June 30, 2024, the repurchase commitments amounted to €50 million.

#### 7.1.6 Dividends

No dividend was paid in 2024 in respect of the 2023 financial year.

### 7.2 EARNINGS PER SHARE

Basic earnings per share	06/30/2024	06/30/2023
Weighted average number of outstanding shares	28 906 238	28 378 476
Net income - Group share (in €m)	(973)	(214)
<i>Per share (in €)</i>	<i>(33.67)</i>	<i>(7.55)</i>
Net income from assets held for sale and discontinued operations - Group share (in €m)	7	(1)
<i>Per share (in €)</i>	<i>0.24</i>	<i>(0.03)</i>
Net income from continuing operations - Group share (in €m)	(980)	(213)
<i>Per share (in €)</i>	<i>(33.91)</i>	<i>(7.52)</i>

  

Diluted earnings per share	06/30/2024	06/30/2023
Weighted average number of diluted shares	28 906 238	28 378 476
Net income - Group share (in €m)	(973)	(214)
<i>Per share (in €)</i>	<i>(33.67)</i>	<i>(7.55)</i>
Net income from assets held for sale and discontinued operations - Group share (in €m)	7	(1)
<i>Per share (in €)</i>	<i>0.24</i>	<i>(0.03)</i>
Net income from continuing operations - Group share (in €m)	(980)	(213)
<i>Per share (in €)</i>	<i>(33.91)</i>	<i>(7.52)</i>

**NOTE 8 - PROVISIONS AND CONTINGENT LIABILITIES****8.1 PROVISIONS**

<i>(In €m)</i>	06/30/2024	12/31/2023
Non-current provisions	198	198
Current provisions	177	184
<b>TOTAL</b>	<b>374</b>	<b>383</b>

Provisions for liabilities and charges did not change significantly over the period.

**8.2 CONTINGENT LIABILITIES**

Consolidated companies are involved in a certain number of lawsuits or disputes in the normal course of their business, including procedures with the tax and competition authorities. Provisions have been set up for the resulting expenses considered probable by ELO and/or its subsidiaries as well as their external advisers.

To the best of the knowledge of ELO and its subsidiaries, there are no other exceptional events or litigation that could substantially affect the activity, results, assets or liabilities of ELO and/or its subsidiaries, which are not adequately covered by provisions at year-end.

**NOTE 9 - FINANCING AND FINANCIAL INSTRUMENTS****9.1 NET FINANCIAL DEBT**

<i>(in €m)</i>	06/30/2024	12/31/2023
Borrowings and other financial liabilities <sup>(1) (2)</sup>	6 041	5 945
- non-current	5 032	4 875
- current	1 009	1 070
Cash and cash equivalents	(1 505)	(2 741)
Derivative assets and liabilities qualifying as hedging instruments for an item of net financial debt	(133)	(140)
Margin call assets on derivatives qualifying as hedging instruments	(16)	(16)
<b>Net financial indebtedness</b>	<b>4 386</b>	<b>3 047</b>
Derivative assets and liabilities not qualifying as hedging instruments for an item of net financial debt	91	82
Other short-term investment assets	(0)	(212)
<b>NET FINANCIAL DEBT</b>	<b>4 477</b>	<b>2 917</b>

(1) A number of margin call agreements have been implemented to reduce counterparty risk. The amounts relating to margin calls received (liabilities) or paid (assets) are included in the net financial debt. As of June 30, 2024, they represented net assets of €16 million booked under borrowings and other financial liabilities.

(2) Of which €90 million of financial leases.

The net financial debt does not include the liabilities related to put options granted to non-controlling interests, i.e. an amount of €53 million as of June 30, 2024.

The Group's net debt amounted to €4.5 billion as of June 30, 2024. The Group's net debt increased by €1.5 billion compared to December 31, 2023. This change

was mainly due to the seasonality of the business: as of June 30, 2023, the net debt amounted to €4.0 billion.

The Group's net debt includes in particular the bonds issued by ELO for a net book value of €4.8 billion (€4.9 billion as of December 31, 2023) and cash and cash equivalents for €1.5 billion.

## 9.2 NET COST OF FINANCIAL DEBT

<i>(in €m)</i>	06/30/2024	06/30/2023
Income from cash and cash equivalents	51	23
Gross cost of financial debt	(157)	(109)
- Interest expenses	(130)	(91)
- Hedging results	(28)	(18)
<b>NET COST OF FINANCIAL DEBT</b>	<b>(107)</b>	<b>(86)</b>

## 9.3 OTHER FINANCIAL INCOME AND EXPENSES

<i>(in €m)</i>	06/30/2024	06/30/2023
Gains and losses on financial transactions not eligible for hedge accounting <sup>(1)</sup>	(5)	(20)
Provisions and impairment, net of reversals:	(7)	(2)
- Reversal of provisions for impairment of other financial assets	0	(0)
- Provision for impairment of other financial assets	(7)	(2)
Cost of discounting retirement obligations net of the expected return on plan assets	(1)	(1)
Income from equity interests	2	2
Interest expenses related to IFRS16	(49)	(44)
Translation differences related to IFRS 16	3	7
Other	(5)	(4)
<b>OTHER FINANCIAL INCOME AND EXPENSES</b>	<b>(62)</b>	<b>(62)</b>

<sup>(1)</sup> Gains and losses on financial transactions not eligible for hedge accounting include, in particular, foreign exchange and other gains and losses on derivatives used to hedge foreign exchange and/or interest rate risks on intragroup loans, or to guarantee a given interest rate level for the global debt of ELO and the consolidated companies (macro-hedging swaps).

## 9.4 MARKET VALUES OF FINANCIAL INSTRUMENTS

The financial assets and liabilities are stated in the financial statements in accordance with IFRS 9, IAS 32, IFRS 7 and IFRS 13.

IFRS 13 introduced a three-level hierarchy for fair value measurement disclosures.

Level 1: Fair value measured with reference to unadjusted quoted prices observed in active markets for identical assets or liabilities.

Level 2: Fair value measured with reference to inputs other than the quoted prices included in Level 1 that are observable for the asset or liability in question, either directly (in the form of a price) or indirectly (calculated based on a price).

Level 3: Fair value measured with reference to inputs that are not based on observable market data (unobservable inputs).

IFRS 9 category (in €m)	06/30/2024				12/31/2023			
	Market value			Carrying amount	Market value			Carrying amount
	Level 1	Level 2	Level 3		Level 1	Level 2	Level 3	
<b>Assets at fair value through the income statement</b>	<b>1 505</b>	<b>47</b>	<b>0</b>	<b>1 552</b>	<b>2 741</b>	<b>39</b>	<b>0</b>	<b>2 781</b>
Other financial assets measured at fair value		47		47		39		39
Cash and cash equivalents	1 505			1 505	2 741			2 741
<b>Debt instruments measured at fair value through other comprehensive income</b>	<b>0</b>	<b>147</b>	<b>0</b>	<b>147</b>	<b>0</b>	<b>153</b>	<b>0</b>	<b>153</b>
Equity investments		147		147		153		153
<b>Liabilities measured at fair value</b>	<b>4 532</b>	<b>9 359</b>	<b>210</b>	<b>14 067</b>	<b>4 945</b>	<b>9 444</b>	<b>0</b>	<b>14 373</b>
Bonds and private placements	4 532		210	4 793	4 945			4 929
Bank borrowings and other financial liabilities, various other financial liabilities including bank overdrafts		1 300		1 300		1 068		1 068
Non-current lease liabilities		1 399		1 399		1 099		1 099
Other non-current liabilities		168		168		164		164
Current lease liabilities		373		373		324		324
Trade payables		4 371		4 371		4 979		4 979
Other current liabilities		1 705		1 704		1 752		1 752
Derivatives, of which:	0	42	0	42	0	58	0	58
Derivative instruments - assets		179		179		220		220
Derivative instruments - liabilities		137		137		162		162

Bonds and cash open-ended funds (SICAV) are valued using quoted market prices. These securities are now considered as Level 1 financial assets and liabilities.

ELO calculated the fair value of the finance lease debts and bank loans by discounting contractual flows using market interest rates, which are observable data. The derivatives are valued using commonly accepted valuation techniques based on observable interest rate and currency market data.

## 9.5 FINANCIAL ASSETS

### Classification of financial assets by category (net carrying amount)

(in €m)		06/30/2024		12/31/2023	
Asset balance sheet item	IFRS 9 category	Non-current	Current	Non-current	Current
	Assets at fair value through the income statement <sup>(1)</sup>	47		39	
Non-current financial assets	Debt instrument at fair value through other comprehensive income <sup>(2)</sup>	147		153	
	Financial assets at amortised cost <sup>(3)</sup>	206		218	
Other non-current assets	Financial assets at amortised cost <sup>(4)</sup>	100		104	
Trade receivables	Financial assets at amortised cost <sup>(5)</sup>		416		433
Trade and other receivables	Financial assets at amortised cost <sup>(6)</sup>		1 501		1 369
Current financial assets	Financial assets at amortised cost <sup>(3)</sup>		316		419
Cash and cash equivalents	Assets at fair value through the income statement <sup>(1)</sup>		1 505		2 741
<b>OTHER FINANCIAL ASSETS (NET CARRYING AMOUNT)</b>		<b>500</b>	<b>3 738</b>	<b>514</b>	<b>4 962</b>
<i>Of which impairment of other financial assets</i>		(199)	(50)	(192)	(57)

(1) The financial assets held for trading correspond to:

- for the non-current portion, to investments subject to restrictions on use by ELO for prudential or contractual reasons;
- for the current portion, to investments meeting the definition of cash and cash equivalents and included in the item "Cash and cash equivalents".

(2) The available-for-sale financial assets consist mainly of equity interests in companies that are neither controlled nor under significant influence.

(3) Non-current financial assets mainly include guarantee deposits and loans granted to associates and, for the current portion, to investments meeting the definition of cash and cash equivalents.

(4) Other non-current assets include prepaid rent and other prepaid expenses.

(5) Trade receivables include mainly receivables relating to franchise arrangements, and rent outstanding for the Property Management activity line.

(6) Trade and other receivables include mainly tax and social security receivables and accrued income from suppliers

## 9.6 PASSIFS FINANCIERS

### Breakdown of borrowings and other financial liabilities

The accrued interest is recognised under "Current borrowings and other financial liabilities".

(in €m)		06/30/2024		12/31/2023	
		Non-current	Current	Non-current	Current
Bonds and private placements		4 112	681	4 056	873
Bank borrowings and other financial liabilities		813	35	801	71
Other financial liabilities		106	215	17	92
Liabilities linked to put options granted on non-controlling interests <sup>(1)</sup>		53	0	53	0
Margin call - Liability			0		22
Bank overdrafts			78		11
<b>TOTAL</b>		<b>5 084</b>	<b>1 009</b>	<b>4 927</b>	<b>1 070</b>

(1) The commitments to purchase shares made by ELO and the other consolidated companies to the non-controlling shareholders of certain subsidiaries that are fully consolidated or to the Valauchan and Valfrance mutual funds under rules that govern the operation of those funds (see note 7.1.7).

**Main characteristics of borrowings and other financial liabilities****Main financing transactions**

In April 2024, ELO issued a bond for an amount of €750 million with a maturity of 4 years through the EMTN program.

**Other financial liabilities**

This item mainly disclose interest accrued on financial debts for €87 million and commercial paper for €122 million.

**NOTE 10 – INCOME TAX****Net tax expense**

<i>(In €m)</i>	<b>06/30/2024</b>	<b>06/30/2023</b>
Income before tax	(913)	(231)
Income tax expense	(58)	38
<b>Effective tax rate (%)</b>	<b>6%</b>	<b>(16%)</b>

**Effective tax rate (ETR)**

In accordance with IAS 34, the income tax expense is determined on the basis of the estimated weighted average annual tax rate for the 2024 financial year (effective tax rate), for each jurisdiction or tax group.

is impacted by non-capitalized losses for the tax consolidation scope and tax credit depreciation; As of June 30 2023, specific transactions mainly concerned non-capitalized losses and tax credit depreciation.

The tax consequences of specific transactions are recorded over the period. As of June 30, 2024, the rate

**NOTE 11 - OTHERS****11.1 TRANSACTIONS WITH RELATED PARTIES**

On May 16, 2024, the shareholders increased the share capital of ELO S.A. by €300 million.

No other significant transactions with reference shareholders are to be noted with the exception, where applicable, of the dividend paid to all shareholders (see note 7.1.6). Transactions with joint ventures and associates are carried out under market conditions. No significant commitments have been entered into with these companies.

**11.2 SHARE-BASED PAYMENT**

During the first half of the year 2024, no plan has come to maturity.

**11.3 OFF-BALANCE SHEET COMMITMENTS**

There was no significant change in the off-balance sheet commitments as of June 30, 2024.



**NOTE 12 - DETAILS OF CERTAIN ITEMS IN THE CONSOLIDATED STATEMENT OF CASH FLOWS**

<i>(in €m)</i>	<b>06/30/2024</b>	<b>06/30/2023</b>
<b>Changes in working capital requirement:</b>	<b>(862)</b>	<b>(820)</b>
- Inventories	(109)	(140)
- Trade receivables	42	127
- Trade payables	(778)	(613)
- Other assets and liabilities	(17)	(193)
<b>Changes in loans and advances granted:</b>	<b>(97)</b>	<b>(39)</b>
- Increase in loans and advances granted	(103)	(46)
- Decrease in loans and advances granted	7	8
<b>Dividends paid during the financial year:</b>	<b>(3)</b>	<b>(99)</b>
- Dividends paid to shareholders of the parent company	0	(99)
- Dividends paid to non-controlling interests of consolidated companies	(3)	0
<b>Acquisitions and disposals of interests without change in control <sup>(1)</sup>:</b>	<b>(1)</b>	<b>15</b>
- Acquisitions	(23)	(13)
- Disposals	22	28
<b>Net financial debt:</b>	<b>311</b>	<b>452</b>
- Loans issued	1 614	1 309
- Repayments of loans (including finance leases)	(1 303)	(857)
<b>Net cash and cash equivalents:</b>	<b>1 428</b>	<b>961</b>
- Marketable securities with a maturity of less than three months	620	309
- Cash	885	745
- Bank overdrafts (see note 9.6)	(78)	(93)

(1) Acquisitions and disposals of interests without any gain or loss of control mainly include the purchase of securities from employees by ELO and its subsidiaries.

**NOTE 13 - SUBSEQUENT EVENTS**

As part of the transaction relating to Casino stores, Auchan Retail finalized the acquisition of 28 supermarkets, 15 service stations and 2 drives on July 1, 2024.

# **STATUTORY AUDITORS' REPORT** ON THE HALF-YEAR FINANCIAL INFORMATION

(For the period from January 1, 2024 to June 30, 2024)

**PricewaterhouseCoopers Audit**  
63, rue de Villiers  
92208 Neuilly-sur-Seine Cedex

**KPMG SA**  
Tour Egho  
2 avenue Gambetta  
92066 Paris la Défense Cedex

## **STATUTORY AUDITORS' REVIEW REPORT ON THE HALF-YEARLY FINANCIAL INFORMATION**

(For the period from January 1, 2024 to June 30, 2024)

*This is a free translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.*

To the Shareholders,  
**ELO**  
**40, avenue de Flandre**  
**59170 Croix**

In compliance with the assignment entrusted to us by your General Meeting and in accordance with the requirements of article L. 451-1-2 III of the French Monetary and Financial Code ("Code monétaire et financier"), we hereby report to you on

- the review of the accompanying condensed half-yearly consolidated financial statements of ELO, for the period from January 1, 2024 to June 30, 2024;
- the verification of the information presented in the half-yearly management report

These condensed half-yearly consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

### **I. CONCLUSION ON THE FINANCIAL STATEMENTS**

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial

and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit.

Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - standard of the IFRSs as adopted by the European Union applicable to interim financial information.

### **II. SPECIFIC VERIFICATION**

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review. We have no matters to report as to its fair presentation and consistency with the half-yearly consolidated financial statements.

Neuilly-sur-Seine and Paris-la-Défense, July 24, 2024

The Statutory Auditors

**PricewaterhouseCoopers Audit**  
  
**Xavier Belet**

**KPMG SA**  
  
**Caroline Bruno-Diaz**

# DECLARATION BY THE PERSON RESPONSIBLE FOR THE FINANCIAL REPORT

**Croix, July 24, 2024**

I certify that, to the best of my knowledge, the condensed half-year consolidated financial statements as of June 30, 2024 are prepared in accordance with applicable accounting standards and give a true and fair view of the portfolio, the financial position and results of the company and all consolidated companies, and that the attached half-year management report presents a true and fair view of the significant events that occurred during the first six months of the financial year and of their impact on the half-year financial statements, and of the main transactions between related parties, and presents a description of the main risks and uncertainties for the remaining six months of the financial year.

**Antoine Grolin**  
General Manager of ELO SA



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July 2024

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